

## FY 2009 - FY 2013 Pharmacy Program Cost

	Benefit Payments <sup>1</sup>	Clawback Payments <sup>2</sup>	Pharmacy Expenditures <sup>3</sup>	Drug Rebates	Pharmacy Provider Tax	Net Cost to Medicaid <sup>4</sup>	Rebates as % of Benefits	Clawback as % of Net Cost	Pharmacy Tax as % of Benefits
<b>FY 2009</b>	\$467,574,479	\$65,721,030	\$533,295,509	(\$155,712,772)	(\$8,407,870)	\$369,174,867	33.3%	17.8%	1.8%
<b>FY 2010</b>	\$502,254,947	\$33,567,187	\$535,822,134	(\$170,598,876)	(\$8,629,329)	\$356,593,929	34.0%	9.4%	1.7%
<b>FY 2011</b>	\$496,128,925	\$50,798,631	\$546,927,556	(\$218,474,908)	(\$8,938,136)	\$319,514,512	44.0%	15.9%	1.8%
<b>FY 2012</b>	\$526,082,696	\$67,028,930	\$593,111,626	(\$235,235,762)	(\$9,262,104)	\$348,613,760	44.7%	19.2%	1.8%
<b>FY 2013</b>	\$525,307,376	\$67,938,260	\$593,245,636	(\$239,585,283)	(\$9,217,778)	\$344,442,575	45.6%	19.7%	1.8%

## FY 2009 - FY 2013 Pharmacy Program Annual Utilization

	Net Cost to Medicaid <sup>4</sup>	Pharmacy Recipients <sup>5</sup>	Monthly Pharmacy Average Eligibles	Recipients As % of Pharmacy Eligibles <sup>6</sup>	Cost Per Recipient <sup>7</sup>	Number of Prescriptions	Prescriptions Per Recipient <sup>8</sup>	Net Cost Per Prescription <sup>9</sup>
<b>FY 2009</b>	\$369,174,867	541,561	715,512	76%	\$682	7,844,949	14.49	\$47.06
<b>FY 2010</b>	\$356,593,929	578,734	765,179	76%	\$616	8,603,799	14.87	\$41.45
<b>FY 2011</b>	\$319,514,512	605,543	821,291	74%	\$528	8,867,049	14.64	\$36.03
<b>FY 2012</b>	\$348,613,760	608,500	842,824	72%	\$573	8,961,210	14.73	\$38.90
<b>FY 2013</b>	\$344,442,575	610,872	833,778	73%	\$564	8,960,863	14.67	\$38.44

<sup>1</sup> Benefit payment data based on Executive Budget Office financial records and includes expenditures, purchase orders and year-end encumbrances.

<sup>2</sup> Clawback (also called "phasedown") - Mandatory state payments to federal government to help finance the Medicare Part D benefit for dual eligibles. The size of the state's "clawback" payment for any given month depends on three factors: 1) a per capita estimate of the amount the state otherwise would have spent on Medicaid prescription drugs for dual eligibles; 2) the number of dual eligibles enrolled in a Part D plan; and 3) a "takeback" factor set at 90% in 2006, declining to 75% for 2015 and later years.

<sup>3</sup> Pharmacy Expenditures = Benefit Payments plus Clawback payments.

<sup>4</sup> Net Cost to Medicaid = Pharmacy expenditures less Drug Rebates and Pharmacy Provider Tax Receipts.

<sup>5</sup> Pharmacy recipients who received at least one drug prescription during the fiscal year.

<sup>6</sup> Pharmacy recipients as % of Pharmacy Eligibles = Number of Pharmacy Recipients divided by the number of monthly average pharmacy eligibles.

<sup>7</sup> Cost Per Recipient = Net Cost to Medicaid divided by Number of Pharmacy Recipients.

<sup>8</sup> Prescriptions Per Recipient = Number of Prescriptions divided by Number of Pharmacy Recipients.

<sup>9</sup> Net Cost Per Prescription = Net Cost to Medicaid divided by Number of Prescriptions.